



Cymbal Software Inc.

Accounting Series

for use with the Commodore 64

General Ledger

User's Reference Guide

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WHAT YOU NEED TO START

To operate the General Ledger Accounting System you need the following equipment:

- Commodore C-64 Computer
- TV or Monitor either Colour or Black and White
- 1 or 2 Disk Drives, Commodore Model 1541
- Printer
- Fan Fold Paper
- Box of Disks
- General Ledger Program Disk and Manual
- Back Up Utility Program (available from your Dealer)

You will also need the following accounting information from your business:

- List of General Ledger Accounts
- Balanced set of Books (Ledgers)

A balanced set of accounting books is required because CYMBAL accounting is a true 'double entry' bookkeeping system. For every debit entry there is also an equal credit entry. This means that when you take all the amounts in your G/L accounts they add up to a zero balance. Fortunately the General Ledger program makes the second entry automatically so that once you start, your "books" will always be balanced. If you are having trouble getting your books balanced to start go to an accountant or a bookkeeper for help. If you have a balanced set of ledger books as of the end of March then you should start this system in March, entering all your accounting balances. Then after running the month end routine you can start entering all your day to day entries from the beginning of April with the correct balance forwards from March.

The General Ledger Accounting System is a true bookkeeping system designed to run on your Commodore 64 computer. In conjunction with the other accounting modules this system will provide all the functions normally found only on very expensive programs. Each month you will have room for up to 1500 journal entries and handle up to 500 general ledger accounts. The system is so easy to use that any one in business should be able to use it.

LOADING THE PROGRAM

Place the program disk in the disk drive and type:

LOAD "START",8

press the RETURN key. When the cursor appears on the screen type

RUN

press the RETURN key.

SIGN ON

For your security there is a sign on routine which signs the computer on to a particular company, in a particular month. The first thing to enter is the date, year first e.g. 83, then month e.g. 07 (July) and then the day e.g. 23.

Then enter the Month of Record. This tells the computer to which month the entries are being made, (not necessarily the current month). For example on the 2nd of August you may still be entering July's data so you would enter 7 not 8.

Next enter your Company Code. To create a company for the first time enter "NEW" and press RETURN. Then enter your New Company Code. This code can consist of any FOUR keyboard characters and is used to identify your company. Make sure you remember the company code because every time you sign on, you will have to enter the company code.

Place a data disk in the Disk Drive (A if more than one).

If the disk is an unformatted disk then enter Y to FORMAT DISK (Y/N)? Entering N will just add the data to an already formatted disk.

In formatting a disk you will have to enter a Disk Name and two digit ID. The disk will be formatted and all the files needed to run this system will be created automatically. After it has created all the files the Operation Menu will appear on the screen.

GENERAL LEDGER ACCOUNTS

The next step in setting up your company is to create your G/L Accounts. Enter 16 (Edit G/L Accounts) and press RETURN.

General Ledger Accounts are the headings under which bookkeeping entries are collected or posted, ie., rent payments would be posted to the G/L expense account for Rent. General Ledger Accounts are traditionally divided into Assets, Liabilities, Capital, Income and Expenses.

Assets, Liabilities and Capital tell you what you own and how much of it is yours. Assets include Bank Account (Money), Furniture, Accounts

Receivable, (what you have); Liabilities include Accounts Payable, Loans, Sales Tax Collected (but not remitted), (what you owe); Capital accounts include Investment, Retained Earnings (Profit), Shares, (how much is left for you).

Assets (debits)=Liabilities (credits)+Capital (credits)
is called Net Worth Accounting and is shown on the Balance Sheet.

The other two Sections Income and Expenses tell you where your money is coming from (Income) and where it is going (Expenses). If you subtract your Expenses from your Income you arrive at your Profit (if your Expenses are higher than your Income then you arrive at your Loss). Therefore $\text{Income} = \text{Expenses} + \text{Profit (or - Loss)}$.

$\text{Income (credits)} = \text{Expenses (debits)} + \text{Profit (debits) (or - Loss)}$
is called Cash Flow Accounting and is shown on the Profit and Loss Statement.

The combination of these two types of accounting is called General Ledger Accounting and is shown in both the Trial Balance and the General Ledger Report.

To distinguish the Sections in computerized and some manual accounting systems the accounts are numbered as follows:

- Asset Accounts start with a 1
- Liability Accounts start with a 2
- Capital Accounts start with a 3
- Income Accounts start with a 4
- Expense Accounts start with a 5, 6 and 7

This program will accept either 3 or 4 digit account numbers e.g. 110 or 1010.

Make a list of all your accounts and then sort them into Sections:

- Assets - what you own (or is owing to you)
- Liabilities - what you owe
- Capital - how much is yours
- Income - where the money comes from
- Expenses - where the money goes

then number the accounts with the appropriate first digit, and in the order you want them to appear on your reports.

You are now ready to enter your General Ledger Accounts.

Simply enter the account number and press return. If this is a new account the computer will display "New Acct" alongside the number and let you enter the account name. If the account already exists the name will be redisplayed ready for editing. Type over the original to change the name. Blanking out the name will delete the account from your chart of accounts. Press RETURN to enter the account name. The cursor will return to the account number line ready for

the next account number. There are two accounts that you must have, a Bank Account (Assets Section) and Profit Account (Capital Section).

When you have entered all your accounts press RETURN when the cursor appears at the account number window or press F1.

The message "Sorting and Saving" will now appear on the screen. The computer is sorting the accounts into their Sections and saving them on the disk. When it has finished the Operation Menu will appear on the screen.

CONFIGURATION

Next, the Configuration of your Company must be set. This tells the computer what it needs to know. Enter 17 (Configuration) and press RETURN.

The first entry is the Name of the Company. Enter the name and press RETURN.

Enter the G/L account number of the Profits account and press RETURN. Enter the G/L account number of the Bank Account and press RETURN.

You are then asked to enter the Printer Device Number. The number 4 that appears on the screen is the device number normally given to the printer however it can be set to whatever device number you are using. If you are not using a printer, leave it at device 4.

The lines per page are already set at 66 which is the normal number of lines. Some printers require that an extra line feed be inserted by the computer. Commodore printers do not. If your printer requires the command, change the 0 to 1 and press RETURN.

The program disk drive number is set at 8. If you are using two 1541 disk drives this number MUST be changed. The device number commonly used for another disk drive is 9. See your manual about setting the drive itself. If you are using two disk drives type in the appropriate device number and press RETURN.

The next line of entry relates to the fiscal year of your company. Most businesses end their financial year on another date rather than December 31st. Enter the month of your financial year end and press RETURN. The default in this system is 12.

The computer will then store all the above information on the disk and return you to the Operation Menu. You will note that your company name now appears in the top left hand corner of the screen.

GEN JNL ENTRY-BALANCES FORWARD

The next step in creating the company is entering the starting balances for all your general ledger accounts. These are the totals of each account in your balanced books and are entered through the General Journal.

Enter 14 (Gen Jnl Entry) and press RETURN. The General Journal screen will now appear. You will notice that the date displayed is the date you entered when you signed on to the system. Press RETURN to confirm. Enter any changes before confirming. If you wish to back up a window to correct an entry press the ARROW UP key, correct the number and confirm.

The "Entry Number #" is simply a record of how many entries have been made and cannot be changed.

The "Gen Jnl #" is the reference number that appears on all the reports to enable you to identify each entry. If you want to set the Gnl Jnl # simply type in the correct number and press RETURN. This number will increment automatically with each Journal. Because the computer does a "double" entry we use a second account in each entry as a 'balancing account'. If you look at your G/L Acct List you will find that the computer has created a 999 Transfer Account (For monthly profit). This account can be used as a balancing account without affecting the system (remember that all the entries must total zero to be balanced).

Look at the first amount you have to enter and decide whether it is a debit or credit amount (Assets and Expenses are debits, Liabilities, Capital and Income are credits). Enter your account in the correct Debit or Credit column, and the 999 account in the other column. Enter the amount in cents and press RETURN (e.g. \$25.00 MUST BE ENTERED AS 2500). The computer will redisplay the amount correctly in dollars and cents.

You can enter nine account balances at once. Continue to enter the account balances making sure you enter the debit accounts in the Debit Acct column. When you have made nine entries or you press RETURN on an empty line the word "Reason" will appear on the next line. This reason will appear on the reports with each of the nine entries you have made. You MUST enter a reason e.g. G/L Acct Balances Forward. The question "Save Entry On Disk?" will appear on the screen. If after checking the entries you are satisfied the entries are correct press RETURN, the computer will then save the entries on the disk. If the entries are not correct then press F1 and the cursor will return to the last entry for editing. If you press F1 while you are

entering the entries the computer will erase that entire entry (screen) from memory and return you to the main menu.

After saving the entries, the screen will clear ready for the next entry. Continue entering your account balances until you have completed all the balances. When you have finished enter an E (Exit) in the first space of the year window or pressing F1 will take you back to the Operations Menu.

POSTING

You now have entries which have been saved to the disk but which are not posted to the general ledger accounts. Enter 15 (Post Entries) and press RETURN. The number 15 will appear in the Reports Queue. Enter 1 (Run Reports) and press RETURN.

REPORTS

For a detailed description of the reports available in this system see the REPORTS Section under DAILY ENTRIES.

MONTH END

The month end routine wipes out all the current months entries on the disk and resets the balance forward in each account. If you wish to keep a copy of this months data disk you must make a back-up copy using the utility program obtained from your Commodore dealer.

Enter 18 (Month End) and press RETURN. The messages "Make Sure You Have Run all Reports" and "Make Sure You Have Run A Back-Up Data Disk" will appear on the screen, if you have not done either press F1 to escape. Press RETURN and the computer will automatically do the month end routine. The message "Month End Routine, Please Be Patient" will appear on the screen.

If you selected this particular month as your fiscal year end in the Configuration Option then the computer will also zero the balance forward on all the Income, Expense and Transfer accounts.

When the routine is complete you will note that the Month of record on the screen has been changed to the new month.

DAILY ENTRIES

CHECK ENTRY

To enter checks issued select Option 12 (Check Entry) and press RETURN. The Check Entry screen will appear.

The date is the sign on date. To change the date simply enter the correct date.

NOTE: AFTER EACH ENTRY YOU MUST PRESS RETURN TO COMPLETE THAT ENTRY. FROM NOW ON IT IS ASSUMED THAT AFTER EACH ENTRY YOU PRESS RETURN AND THERE WILL BE NO MORE REMINDERS.

The entry number simply keeps track of the number of entries made in this batch.

The check # is the reference number by which each entry is identified and will appear in all the reports. This number can be changed to agree with your actual cheque numbers and will increment automatically.

The Payee is the name of the person to whom the check is made out to.

The Acct is the G/L expense account that you wish the amount to be posted to. In addition, checks are always credited (posted) to the Bank Account automatically.

The Reason is the reason for issuing the check e.g. Invoice 123 or Payment of June Rent. Never omit the reason.

Enter the amount in cents e.g. \$25.00 as 2500. The computer will redisplay the amount correctly on the screen.

The check can be dispersed among nine different accounts.

The Total is the amount of the check that was issued.

The Batch Total is the amount of all the checks entered up to that point in this series of entries. Returning to Operation menu will reset the Batch Total.

Press RETURN on a blank line to end the entry. Press ARROW UP to correct entries.

To save the entry on the disk press RETURN. Pressing F1 will allow you to go back and edit the entry. Pressing F1 at any time during an entry will cancel that entry.

To exit from the Cash Disb Entry type in an E in the first space of the year window or press F1 and you will be returned to the Operations Menu.

RECEIPTS ENTRY

To enter receipts select Option 13 (Receipts Entry). The Receipts Entry screen will appear.

The date is the sign on date. To change the date simply type in the correct date.

The entry number simply keeps track of the

number of entries made in this batch.

The receipt # is the reference number by which each entry is identified and will appear in all the reports. This number can be changed to agree with your actual receipt numbers and will increment automatically.

The Payor is the name of the person from whom you are receiving money.

The Acct is the G/L income account that you wish the amount to be posted to. In addition receipts are debited to the Bank Account automatically.

The Reason is the reason for receiving the money e.g. Payment of Invoice 123. Never omit the reason.

Enter the amount in cents e.g. \$25.00 as 2500. The computer will redisplay the amount correctly.

The receipt can be dispersed among nine different accounts.

The Total is the amount of the money received.

The Batch Total is the amount of all the receipts entered up to that point.

Press RETURN on a blank line to end the entry or press ARROW UP to edit the entries.

To save the entry on the disk press RETURN, pressing ARROW UP will allow you to go back and edit the entry. Pressing F1 anytime during entry will cancel the entry.

To exit from the Receipts Entry type in an E in the first space of the year window or press F1 and you will be returned to the Operations Menu.

GEN JNL ENTRY

To enter General Journal entries enter 14 (Gen Jnl Entry). The General Journal screen will now appear.

The date displayed is the date you entered when you signed on to the system. To change the date simply type in the correct date.

The "Entry Number #" is simply a record of how many entries have been made and cannot be changed.

The "Gen Jnl #" is the reference number that appears on all the reports to enable you to identify each entry. This number can be changed to agree with your actual General Journal and will increment automatically.

The Debit Account is the account number that you want the entry debited to.

The Credit Account is the account number that you want the entry credited to.

Enter the amount in cents e.g. \$25.00 as 2500. The computer will redisplay the amount correctly.

You can enter up to nine lines of entry on a

General Journal. The reason line that appears if you press RETURN on a blank line will appear with each line of entry.

The reason is the reason for the adjustment e.g. Entry posted to incorrect account. Never omit the reason.

Press RETURN on a blank line to end the entry or press ARROW UP to edit the entries.

To save the entry on the disk press RETURN, pressing ARROW UP will allow you to go back and edit the entry. Pressing F1 anytime during the entry will cancel the entry.

To exit from the Gen Jnl Entry type in an E in the first space of the year window or press F1 and you will be returned to the Operations Menu.

POSTING

You now have entries which have been saved to the disk but which are not posted to the general ledger accounts. Enter 15 (Post Entries) and press RETURN. The number 15 will appear in the Reports Queue. Enter 1 (Run Reports) and press RETURN.

REPORTS

QUEUEING

As each report is selected it is entered into the queue. If there are unposted entries you will be warned of it. If so make sure that POSTING is queued up first. Option 11 will erase the queue.

Reports can be printed to the printer or to the screen (video). This is set in Option 10.

Printing can be interrupted at anytime by pressing "S". This only works while the report is actually being printed so there may not be an instantaneous response. To terminate the queue press F1. You may have to reposition the paper in the printer after terminating an output.

Checks Issued Rpt

This report lists all the checks issued under the Check Entry in the order that they were entered.

Receipts Report

This report lists all the receipts entered under the Receipts Entry in the order that they were entered.

General Jnl Rpt

This report lists all the general journal entries made under the Gen Jnl Entry in the order that they were entered.

Gen Ledger Rpt

This report lists all the entries in detail made to date under their appropriate G/L account number. Every entry will be listed under two accounts.

Profit and Loss

This report lists each income account, gives you the total income, subtracts each expense account and gives you the total expenses, and shows you the profit or loss made for the current month and the year-to-date. It also shows you the percentage of the income that each expense is for the current month and year-to-date.

Balance Sheet

This report shows the assets, the liabilities and the capital accounts for the company.

Trial Balance

This report summarizes the General Ledger Rpt and shows just the total in each account.

G/L Acct List

This report gives you a list of the General Ledger account numbers and names.

MONTHLY ENTRIES

MONTH END

The month end routine wipes out all the current months entries on the disk and resets the balance forward in each account. If you wish to keep a copy of this months data disk you must make a back-up copy using the utility program obtained from your Commodore dealer.

Enter 18 (Month End) and press RETURN. The messages "Make Sure You Have Run all Reports" and "Make Sure You Have Run A Back-Up Data Disk" will appear on the screen, if you have not done either press F1 to escape. Press RETURN and the computer will automatically do the month end routine. The message "Month End Routine, Please Be Patient" will appear on the screen.

If you selected this particular month as your fiscal year end in the Configuration Option then the computer will also zero the balance forwards on all the Income, Expense and Transfer accounts.

When the routine is complete you will note that the Month of record on the screen has been changed to the new month.

To use the General Ledger Systems as a personal bank account balancing program is very simple. Think of yourself as a little business with income, expenses, a bank account, and savings. You not only want to keep track of your bank balance, but also where your money went (expenses). This is done by assigning each area of interest an account number (3 or 4 digits).

Your bank account and savings account must start with a "1" e.g. 110 bank account, 120 savings account (you cannot write checks on your savings account).

Your income (salary) account must start with a "4" say 410 salary. If you have more than one source of income, each may be assigned its own account number e.g. 420 garage sales, and so on.

Your expense accounts start with a "6" or "7". For example 610 rent, 620 electricity, 650 groceries, 720 car repairs, 750 dentist, 780 entertainment and so on. Don't make too many expense headings because you must designate each check to an expense account (checks can be broken down into as many as nine parts) so you must remember these numbers.

Also be sure to include some general headings to include unexpected expenses.

Any money taken in cash should be put into a personal expense account. Then if you pay any expenses with cash, you transfer the expense to the correct expense account (Dr) from the personal expense account (Cr) using the general journal entry.

The computer needs a balancing account called profits. This is the net amount that you have. This account must start with a "3", say 390 profit. This is required in the configuration before you can make any entries.

Salary (income) is entered through the Receipts Entry journal where you specify which income account, and the computer will automatically add it to the bank account.

Checks are entered through the Check Entry journal where you specify the expense account, and the reason for the check, and the amount. The computer does the rest. Well it does when you tell it to do the Posting, which actually puts the entries into the accounts.

At any time you can find your bank balance by calling up the Trial Balance Report, either to the printer or to the screen. Opposite account 110 bank account will be the outstanding balance in your bank account. The details of your checks and receipts (deposits) is available through the General Ledger Report for account 110. This will list every transaction in your bank account, and can be used to reconcile your monthly bank statement.

Appendix A

WORK SHEETS

WORK SHEET # 1

General Ledger Chart of Accounts

<u>ACCT #</u>	<u>NAME OF ACCT</u>	<u>ACCOUNTS TO INCLUDE</u>
1	<u>ASSETS</u>	
10	CURRENT ASSETS	
.....	.....	General Bank Account
.....	.....	Accounts Receivable
.....	
.....	
.....	
.....	
18	FIXED ASSETS	
.....	
.....	
2	<u>LIABILITIES</u>	
20	CURRENT LIABILITIES	
.....	.....	Accounts Payable
.....	
.....	
25	SHORT TERM LIABILITIES	
.....	
.....	
28	LONG TERM LIABILITIES	
.....	
.....	

General Ledger Chart of Accounts con't

3	<u>CAPITAL</u>	
.....	
.....	
.....	
.....	.....	Profit
4	<u>INCOME</u>	
40	SALES	
.....	.....	Sales Income Account
.....	.....	A/R Income Account
5	<u>EXPENSES</u>	
50	OVERHEAD EXPENSES	
.....	
.....	
.....	
.....	
.....	
.....	
.....	
.....	
80	OTHER INCOME	
.....	
85	OTHER EXPENSES	
.....	
999	TRANSFER ACCOUNT	



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NOTES
